

1 IN THE UNITED STATES DISTRICT COURT

2 FOR THE DISTRICT OF OREGON

3 UNITED STATES OF AMERICA, )

4 Plaintiff, )

5 v. )

6 PIROUZ SEDAGHATY, et al., )

7 Defendants. )

No. 05-60008-2-HO

) September 8, 2010

) Eugene, Oregon

8  
9 PARTIAL TRANSCRIPT OF TRIAL PROCEEDINGS

10 BEFORE THE HONORABLE MICHAEL R. HOGAN

11 UNITED STATES DISTRICT COURT JUDGE, AND A JURY

12 DAY 7, REBUTTAL ARGUMENT BY MR. CARDANI

13 PAGES 1 -45

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22  
23 Deborah Wilhelm, CSR, RPR  
24 Court Reporter  
25 P.O. Box 1504  
Eugene, OR 97440  
(541) 431-4113

## APPEARANCES OF COUNSEL

FOR THE PLAINTIFF: CHRISTOPHER L. CARDANI  
United States Attorney's Office  
405 E. 8th Avenue, Suite 2400  
Eugene, OR 97401  
(541) 465-6771  
chris.cardani@usdoj.gov

CHARLES F. GORDER, JR.  
United States Attorney's Office  
1000 S.W. Third Avenue, Suite 600  
Portland, OR 97204-2902  
(503) 727-1021

FOR THE DEFENDANT: LAWRENCE H. MATASAR  
Lawrence Matasar, P.C.  
621 S.W. Morrison Street  
Suite 1025  
Portland, OR 97205  
(503) 222-9830  
larry@pdxlaw.com

STEVEN T. WAX  
BERNARD J. CASEY  
MICHELLE SWEET  
Federal Public Defender  
101 S.W. Main Street, Suite 1700  
Portland, OR 97204  
(503) 326-2123  
steve\_wax@fd.org

1 (Wednesday, September 8, 2010; 2:50 p.m.)

2 P R O C E E D I N G S

3 (Proceedings were had which were not ordered  
4 transcribed, or have been transcribed and are bound  
5 separately.)

6 THE COURT: Members of the jury, we'll take a  
7 five-minute health break, and then we have one more  
8 short argument.

9 (Recess: 2:50 until 2:58 p.m.)

10 THE COURT: We'll go back on the record.

11 Members of the jury, Mr. Cardani, under the  
12 law, is entitled to rebuttal argument. This is that  
13 argument. Go ahead.

14 MR. CARDANI: Thank you, Your Honor. Members  
15 of the jury, bear with me for about 15 or 20 minutes,  
16 and then the case will finally be yours. So one more  
17 lawyer gets to talk.

18 A few points about Mr. Wax's closing argument.  
19 We listened to him for over two hours. Unless I didn't  
20 hear it correctly, he covered an awful lot of the case,  
21 but I didn't hear him mention the Noble Qur'an.

22 The Noble Qur'an is the defendant, after he  
23 started working for al-Haramain, sending to U.S. prisons  
24 around this country, in the thousands, 10 to 15,000  
25 prisoners, violent people serving time, getting junk

1 like this from al-Haramain saying jihad is an obligation  
2 for Muslims. Talk about people prone to suggestion.  
3 Prisoners.

4 Mr. Wax talks for two hours and you don't hear  
5 anything about that. Nor do you hear anything about  
6 this. You've memorized some of this book, members of  
7 the jury. *Islamic Guidelines For Individual and Social*  
8 *Reform*. This was a special book at al-Haramain. Not  
9 everybody got this. The only people who got this, and  
10 you heard it from the witnesses, were the ones who  
11 passed the test.

12 You had to be not only a believer, but you had  
13 to pass a test. Daveed Gartenstein-Ross, it's one of  
14 his responsibilities, to put this book -- I'm sorry --  
15 interviews into the prisons by the thousands.

16 The defense witness yesterday told you that as  
17 well, Mr. Rodgers. And back they came into al-Haramain.  
18 It was a huge project sponsored by al-Haramain Saudi  
19 Arabia with their Wahhabi, violent jihad propaganda.  
20 They get a foothold in the United States. Pete Seda  
21 becomes their man. And out goes this hateful, crazy  
22 jihad stuff into prisons.

23 But not everybody got this. Why didn't  
24 everybody get this? Because you can't talk openly about  
25 this kind of stuff because you may get in trouble. So

1     you got to be quiet about it.

2             And, yes, members of the jury, there are two  
3     sides to Pete Seda. The side that when the cameras are  
4     on, when the lights are bright, is the smiling, peaceful  
5     face of Islam in southern Oregon, and wherever else he  
6     can market it. But turn those lights off, turn the  
7     cameras off, and get down into room X at 3800, and  
8     that's where it really starts happening, because it is  
9     there that he is serving the bidding of his sponsors  
10    al-Haramain in Saudi Arabia, the ones that are funding  
11    his ability to exist as an Islamic charity in the United  
12    States.

13            Two hours we heard from Mr. Wax and nothing  
14    about this stuff. Why is that? Why doesn't he talk  
15    about the fact that we have Mr. Seda doing direct fund-  
16    raising for the mujahideen? Daveed Gartenstein-Ross and  
17    others were asked to help sponsor, at Mr. Seda's behalf,  
18    a mujahideen fighter to go to Kosovo. Gartenstein-Ross  
19    throws money in the hat. And off goes a wire transfer  
20    of some sort to Albania.

21            Barbara Cabral tells you she went to the Hajj  
22    with Mr. Sedaghaty, big international flight, a big  
23    pilgrimage, sponsored by who? al-Haramain.

24            On the way out of the country, Mr. Seda says  
25    let's give our money to the mujahideen. No mention of

1     that from Mr. Wax. Why is that?

2             The Springfield building, I didn't hear much  
3     about that at all. Mr. Seda was in the middle of the  
4     purchase of the Springfield building. As Mr. Gorder  
5     told you this morning, it was one of the two big events  
6     in the year 2000. He knew exactly how much that  
7     building cost. He approved the deal.

8             If you look in those files, the Mr. Kanan  
9     files, Pete approved the deal. He made the decision.  
10    He's working with al-But'he. He's working with  
11    al-Haramain. And the money comes over and he buys it.  
12    He knows all about it. Why is that important? And why  
13    didn't they talk about it?

14            Because Pete Seda knows exactly to the dime,  
15    members of the jury, how much that building cost.  
16    \$375,000. He knew how much that they needed to close  
17    the deal, 318,000 and change. He gets the money. He  
18    sends the cashier's check off. And the deal is closed.

19            Why is that important? Because when the  
20    accountant Wilcox comes and asks him about the purpose  
21    of some of these funds, rather than just be forthcoming  
22    and say, here are the records that I have in my  
23    possession from Mr. Kanan, which he had, he withheld  
24    those records from his own accountant, not telling him  
25    what he knew about the transaction.

1           Why is that important? Because Mr. Seda told  
2 Mr. Wilcox, you know this very well by now, that that  
3 check for one-hundred and thirty-one three, that is so  
4 important in this trial, went into the Springfield  
5 building.

6           Why is that? Because Mr. Seda had a motive, a  
7 motive to conceal the truth about the transaction.

8           Now, what you did hear from Mr. Wax quite a bit  
9 in two hours is what I'm going to call the blame game.  
10 Mr. Seda has been indicted. Mr. Seda is here before  
11 you. His conduct, his activities are before you.

12           Now, we've heard the defense spend all kinds of  
13 time, Mr. Wax talks about, well, Barbara Cabral, she's a  
14 liar, can't rely on her; Daveed Gartenstein-Ross, liar,  
15 can't rely on him; Colleen Anderson didn't do her job  
16 right, only got one account in Saudi Arabia, deficient  
17 investigation. Mr. Gorder misrepresents a bunch of  
18 stuff this morning to you, so Mr. Wax says,  
19 respectfully. And, oh, yes, Mr. Wilcox. And Mr. Owens,  
20 who they hired nine years after the fact to try to  
21 justify the fact that an Islamic charity in the United  
22 States, attempting to fund \$150,000 in an overseas  
23 transaction, for whatever purpose, for blankets, for  
24 food, for bombs, concealed it on its 990.

25           I ask you this, members of the jury, if

1 everything was on the up-and-up to Mr. Seda and his  
2 organization, why not broadcast to the world what a  
3 wonderful thing he did in getting \$150,000 moved into a  
4 war zone for humanitarian relief? Didn't do that.  
5 Nobody knew, not many people. A few insiders knew the  
6 real truth. But nobody could know the truth because he  
7 had a motive to conceal because Islamic charities can't  
8 be doing this kind of stuff.

9 If you are sending money overseas, you know  
10 there is a way do it, you heard that from Mr. Khan. The  
11 annual report of the Islamic Relief Organization is in  
12 evidence. Take a look at it. It's impressive. This  
13 group raises \$100 million a year for legitimate refugee  
14 relief, people in need, flood victims, war zones,  
15 displaced -- true displaced refugees and children.

16 We have vehicles around the globe, members of  
17 the jury, we love to give charities charitable dollars  
18 to fund these organizations. Khan's organization does  
19 it the right way. And you heard what he said. You  
20 know, look at the report. They collect money in. They  
21 keep all kinds of records. Records have to be kept.

22 Why are records so important? Because this  
23 kind of stuff once it's out there, it can disappear into  
24 the Never Never Land of terrorism. This is how wars are  
25 fought. The mujahideen are not sponsored by countries.



1           It's not like Russia who pays its soldiers with  
2 rubles, government money. It's not like the American  
3 Army being paid with dollars. The mujahideen are  
4 freelance fighters that go around the global to promote  
5 their terrible version of a religion that has very  
6 peaceful elements of it, but their version of hatred, of  
7 killing people that don't believe in their religion,  
8 they have all these crazy views about women. This is  
9 how they do their stuff. Cash. And once cash is  
10 released into the mainstream, it's gone.

11           So let me talk a little bit about the defense.  
12 In the two hours that Mr. Wax was speaking, I counted  
13 about an hour devoted to the testimony of one man. Tom  
14 Wilcox. What do we know about Tom Wilcox? One-  
15 accountant firm down in Medford. Wasn't a battery of  
16 accountants. Lots of help. I think there was one  
17 accountant and one assistant throughout the entire time.  
18 Four-hundred clients or so during that time. It's not  
19 like al-Haramain was the only client. He has got a lot  
20 of stuff going on.

21           What else do we know? That Mr. Seda contacted  
22 him at the end of 1999, the very end of 1999. And the  
23 paperwork is finalized in early 2000. The agreement  
24 between Mr. Seda and Mr. Wilcox envisioned that  
25 Mr. Wilcox would spend a handful of hours in doing the

1 forms, 990 and the 1023, because, for small charities in  
2 the United States, that's the norm. It's pretty easy.  
3 If you are doing things on the up-and-up and the  
4 paperwork is prepared by the client, it's pretty easy  
5 stuff. Mr. Wilcox had done several of these things  
6 throughout his long accounting career. So the  
7 expectation was a few hours.

8 It's not what it turned out to be because the  
9 paperwork was in no way, shape, or form, normal. And  
10 Mr. Seda and his organization was late in getting  
11 information to Mr. Wilcox. And the information that  
12 came in, as we know now, was problematic.

13 We also know that by the time Mr. Seda got  
14 around to dealing with Mr. Wilcox, the 1998 return was  
15 already late. The 1999 return was due in a few months.  
16 And our 2000 return, October of 2001.

17 My point is they're already under the gun. He  
18 comes into the accountant late. There's a lot of flurry  
19 of paperwork that needs to be done. Some requests for  
20 information. Mr. Wilcox has got 400 clients he's  
21 dealing with. It's the end of the year. 1040s have to  
22 be done. He's under the gun.

23 Now, again, one hour of testimony -- of closing  
24 argument spent on the testimony of one man. The Tom-  
25 Wilcox-is-a-liar defense, it's a big one here. Trying

1 to get your eye off of the ball of Pete Seda and his  
2 actions talking about the other people and displacing  
3 blame. Tom Wilcox is a liar.

4 Now, we know that the defense got everything.  
5 Mr. Wilcox had a suitcase of material. Three binders,  
6 1,000, 5,000, 10,000, whatever the number of pages were,  
7 it was a lot; computer discs full of reams of other  
8 material. This was supposed to be a few hours. It  
9 turned into much more than that. Lots of paper was  
10 generated. The defense gets all of it. The QuickBooks.  
11 The audit trails. The billing records. Enough to make  
12 your eyes glaze over. All of this stuff, the billing  
13 records, the returns, everything is given to the  
14 defense.

15 They pour over it. They hire expert after  
16 expert after expert, hundreds and hundreds and hundreds  
17 of hours, a multiplying factor of probably 10 or 20 over  
18 what Mr. Wilcox did in the entire time he worked for  
19 Mr. al-Haramain, I suggest to you. Pouring over his  
20 work. Why? To try to make him be a liar when it came  
21 time for his testimony to you.

22 So how did they do that? Mr. Wilcox agreed to  
23 sit down with the defense, as he did with the  
24 government. You heard Mr. Matasar, Mr. Wax had a  
25 lengthy meeting with Mr. Wilcox. Does that sound like a

1 liar? Does that sound like someone who has something  
2 that he's trying to hide?

3 He is what he is, members of jury. Is he the  
4 world's best accountant? I submit to you negative.  
5 He's a small Medford-based CPA with 400 clients. He  
6 gets a contact from a charity. He does charity work  
7 before. He says it's going to be a few hours a year.  
8 He agrees to do it.

9 Turns over all of the records to the defense  
10 and out it goes. So they pour over the records. And  
11 they bring in a full-blown support team. With  
12 QuickBooks people to look at every nook and cranny  
13 there, Mr. Cone; accountants; and Mr. Owens, the big  
14 lawyer from Washington D.C. Dig into everything. And,  
15 I submit to you, find a reason to blame other people, to  
16 get your eye off of the ball, the defendant, Pete Seda's  
17 actions.

18 So that work is done. Hundreds and hundreds  
19 and hundreds of hours. And do they find mistakes? Yes,  
20 they do. But use your common sense once again, members  
21 of the jury. Does any accountant get everything right?  
22 Everything? Every detail? Does anybody in life get  
23 everything right? We all make mistakes. Even if we're  
24 trying to do our best, even if someone is paying us lots  
25 of money to do work for them, we make mistakes. Does it

1 make us liars when we take the stand? No. He made  
2 mistakes.

3 We're not here to defend those mistakes. He  
4 made mistakes. He told you he made mistakes. And, yes,  
5 on the QuickBooks thing, did he initially tell Colleen  
6 Anderson that al-Haramain provided him with the  
7 QuickBooks schedule and this building account already  
8 done? Yes. But when shown the records, which he didn't  
9 have access to at the time, several years after this all  
10 went down, yes, his memory was refreshed. Yes, I was  
11 the one who coded this and put those checks in there.  
12 Based on what? Conversations with my client.

13 Is that so normal -- I mean, abnormal, members  
14 of the jury? Does he have a motivation to conceal, to  
15 lie about these things? Is it not normal that when you  
16 do something and you are mistaken, and we have all done  
17 that, and then later shown something else that refreshes  
18 our memory, perhaps by our spouse, yes, I made a  
19 mistake. Okay.

20 Wilcox took the stand, members of the jury, and  
21 he told you he made a mistake. It's not like he's  
22 trying to hide anything. In all of his glory, Wilcox  
23 got up and said, yes, I made some mistakes.

24 But I submit to you, members of the jury, that  
25 on the issues most important to this case, he was

1 telling the truth.

2 Mr. Cone, their expert, spent 300 hours or  
3 whatever it is. CPA. When I asked him, you saw this  
4 check come in, you got the May 14th version of the  
5 QuickBooks, comes in, we all agree on that. We all  
6 agree that the \$131,000 check is not coded properly from  
7 al-Haramain. It's missing. That's a huge check. It's  
8 a small charity. That's gotta stick out like a sore  
9 thumb. It would to Mr. Cone. And it did to Mr. Wilcox.  
10 So what did he do? He contacted the client. Because  
11 who knows best about the true inner workings of the  
12 transaction other than the client?

13 Now, sure, you want to rely on information, you  
14 want to see computer records, you want to see hard  
15 copies and all, but it wasn't there in the additional  
16 version -- the original version of the QuickBooks. So  
17 he had to ask the question. To who? Mr. Seda, his  
18 client.

19 Now, did that occur during a phone call on  
20 March 3, 2000? Did that occur in an e-mail on June 21,  
21 2001? Did that occur when they saw each other at the  
22 grocery store on May 17, 2001? Who knows. But what  
23 Mr. Wilcox told you is, I talked to Pete. Why? Because  
24 the 131 had not been taken care of in the books and  
25 records properly, and I had to account for it to do my

1 job in preparing the 2001 return -- 2000 return, excuse  
2 me.

3 Now, the billing records of Mr. Wilcox are in  
4 evidence. They show that the billing records occurred  
5 for activity Mr. Wilcox did May 30th, June 13th, June  
6 14th, September 19th, September 20th, 24th, 25th,  
7 October 1st, October 2nd. This was all billings by  
8 Mr. Wilcox to Mr. Sedaghaty for work that he was doing  
9 on the run-up to the 2000 return. Our return.

10 So you've got all of these contacts that are  
11 being billed. And then they try to nitpick. Well,  
12 which one of these involved phone calls? Which one of  
13 these involved substantive work? Which QuickBooks  
14 schedule was in play for this? Members of the jury,  
15 this is nine years ago. To test someone's memory like  
16 that, how can any of us be expected to remember with  
17 that kind of intricate detail what we did nine years  
18 ago, let alone one year ago or even one month ago?

19 Mr. Wilcox took the stand and told you that he  
20 talked to Pete Seda. And what did Pete Seda say about  
21 the check that's very important here, this one-  
22 thirty-one three? Funds used for the Springfield  
23 building.

24 Now, we all agree there was no Springfield  
25 building account in these QuickBooks things, so one had

1 to be done. Mr. Wilcox created this and put the check  
2 and others into the Springfield account based on  
3 conversations with the defendant.

4 This money went to the Springfield building  
5 purchase. He creates this thing. And it adds up to  
6 \$461,000, I believe. And then Mr. Wilcox told you, I  
7 showed this to my client, Mr. Seda.

8 Now, keep in mind, Mr. Seda, the defendant,  
9 knows we paid \$375,000 for this building. Yet he has  
10 shown a building schedule that says \$460,000. Tilt.  
11 Doesn't work. Add math. Note to self. Talk to  
12 accountant. Tell him something is wrong. Didn't  
13 happen.

14 I believe Mr. Wilcox, in response to my  
15 question, I said, did you stick this under his nose?  
16 Did he actually see this? Yes. We talked about it. I  
17 remember the conversations. I can't tell you if it was  
18 on this date or this date or this date. We talked about  
19 it. Here are your billing records. Yes, it could have  
20 been this date, could have been that date, I don't know.

21 Was he lying to you when he told you that,  
22 members of the jury? Did he pull this out of whole  
23 cloth? What's his motivation to lie to you? Is he  
24 running an Islamic charity -- charities that are under  
25 intense scrutiny for throwing this kind of stuff around



1 the world to fund mujahideen fighters? No. He's a solo  
2 practitioner in Medford, Oregon, trying to make ends  
3 meet with 400 other clients.

4 Now, the \$21,000, likewise, it comes in and it  
5 is reported. It's reported in this thing called a  
6 reimbursed expense. A big red flag for accountants like  
7 Mr. Cone acknowledged yesterday. You gotta deal with  
8 that. So it comes in looking like it -- it's just  
9 sticking out, \$21,000. We know that was our cashier's  
10 check for al-But'he, that was funds used to buy  
11 al-But'he.

12 Did Mr. Wilcox get the right information to  
13 Mr. Seda when he asked him about this one? No. Didn't  
14 mention the Chechnya transaction. And by the way, if  
15 Mr. Seda had truly acted in his mind on the up-and-up  
16 properly, he would be telling the world, including Tom  
17 Wilcox, look what I did, I fed refugees. I took care of  
18 the needy. I, Pete Seda, got \$150,000 from an Egyptian  
19 guy, and I got it into a war torn area with my fellow  
20 Muslims in need, and I did good.

21 And, Mr. Wilcox, I told you before, I think I'm  
22 under scrutiny by the IRS, by the government, I think  
23 I'm going to be audited, keep my books and records  
24 clean. If that was his mindset, why not tell Mr. Wilcox  
25 all about this? It was a huge deal in his life at that

1 time, this money thing. He never told Wilcox about the  
2 Chechnya transaction.

3 This return, members of the jury, IRS-1 is the  
4 subject of the tax count. It's long. I've looked at it  
5 quite a few times. The word Chechnya is nowhere in  
6 here.

7 So if things are on the up-and-up, Mr. Seda,  
8 tell your accountant about it. Tell the world about it.  
9 And this 990, by the way, does go to the world. Can't  
10 do that. Why? Because he knows he's up to no good. We  
11 caught him in a transaction involving an Islamic charity  
12 that can't do what he was trying to do, and we caught  
13 him. Took a lot of work. Took a lot of effort, record  
14 requests, but we caught him, and that's why we're here  
15 today.

16 Now, Mr. Wilcox, again, testifies. And they  
17 have all the information. They've done all of the run-  
18 up and the investigation on him. And they put him -- we  
19 put him on the stand. He told you, in essence, what I  
20 just told you. And then he goes on cross-examination.  
21 A full court press. To do what? To try to make him  
22 appear as a liar to divert your attention and blame it  
23 on the accountant rather than the client who has given  
24 the accountant bad information.

25 You cannot expect an accountant to file an

1 accurate return if you are providing inaccurate  
2 information to your return preparer. It's as simple as  
3 that.

4 He did make mistakes. A \$4,000 mistake, the 1  
5 percent error mistake, a few other things that the  
6 defense talked to you about, Mr. Wax repeated. I submit  
7 to you that with all of the time and attention that they  
8 flyspecked his work, his caseload of work, things like  
9 that are going to happen, and they did. He told you  
10 about it. He didn't run from them. He admitted it.  
11 Yeah, that was my mistake. That's not on Pete. That's  
12 not Pete's fault.

13 Does that sound like a liar to you? I made  
14 this mistake here. I made this mistake here. That's  
15 not on Pete. Yep, you're right.

16 He even admitted a mistake that he didn't make.  
17 The defense thinks they get this big deal with that  
18 \$2,000 Gartenstein check. Why is that so important? It  
19 seems like a little thing. But sometimes little things  
20 mean big things. Daveed Gartenstein-Ross told you that  
21 the defendant gave him a check for \$2,060. It was for  
22 salary. It wasn't for a computer. But that's what  
23 Mr. Seda wrote on the computer -- on the check. Mac,  
24 purchase of a Mac or something like that. It was in  
25 1999. And we know the check was dated by Mr. Seda

1 wrong. It was a '99 check. And the defense has this  
2 thing. And Mr. Gartenstein-Ross tells us that it was a  
3 salary check, not a -- I'm sorry, it was a payroll check  
4 improperly listed as a computer purchase that never  
5 happened. And that Mr. Sedaghaty was just trying to  
6 avoid payroll taxes. It's a little thing about intent.

7 What's he thinking about when he's dealing with  
8 the IRS? Is this someone who is trying to be clean?  
9 Keep the books clean? IRS is going to scrutinize me?  
10 No. It's an anti-IRS sentiment.

11 So he doesn't want to pay payroll taxes. He  
12 lies on the check. And Gartenstein-Ross tells you about  
13 it.

14 Now, why do I bring it up here? Because Wilcox  
15 is hit with this check. They think they gotta big  
16 gotcha. Well, if you thought this thing was a computer  
17 purchase, why is not in the 1998 information? Which we  
18 know they've poured over with a fine-tooth comb. And it  
19 wasn't in the '98 stuff. So Wilcox eats it. I guess I  
20 made a mistake.

21 But then on redirect, we show him the 1999  
22 records, and there it is. He did rely on his client's  
23 information when he said, what's this check for? And  
24 Pete told him it was for a computer purchase, and he  
25 makes an appropriate entry in the 1999 records. And

1 he's shown that. So he even admitted a mistake that he  
2 didn't make.

3 Does that sound like -- to you like someone  
4 who's trying to lie and pull one over on you? No.

5 But on the big transactions, folks, keep the  
6 eye on -- keep your eye on the ball, please. The  
7 Springfield building purchase, when Mr. Wilcox learned  
8 about it, he wanted supporting records. Never given to  
9 him. And yet he -- Mr. Seda had them. Concealment.

10 And on the 131 and the 21 that Wilcox found  
11 out, the big checks he's got to deal with, talk to his  
12 client, concealment and lies at this point. Concealment  
13 and lies from your client are inevitably going to end up  
14 in a false return. The return is false in the many ways  
15 that we told you.

16 Lines 1, 22, and 57, you've got it committed to  
17 memory by now, are false. Line 1 is false because the  
18 \$121,000 was backed out of contribution income by Wilcox  
19 because of the lie by Mr. Seda to him about it being  
20 refunded to the donor. That was what the client said.  
21 That's how it was treated. Line 1 is false.

22 22 and 57 has to do with the money going out  
23 because the client tells the accountant that it's money  
24 that went into the building. The accountant takes the  
25 information, puts it in, and it ends up affecting

1     falsely lines 22 and 57.

2             Now, when you deliberate on this return, those  
3     are the three lines in the indictment. And you have to  
4     agree that a particular line on the return is false to  
5     convict him beyond a reasonable doubt. But that's not  
6     all you have.

7             You can look at the whole return. And there  
8     are other parts of that return that are false. And if  
9     there are other parts of the return that are false, it  
10    makes more sense that the other -- that the lines that  
11    are charged are false as well.

12            Chechnya should have been bull horned in that  
13    return, because there's a section that talks about  
14    humanitarian relief, statement of functions. And there  
15    is a \$24,000 entry that has nothing to do with Chechnya.  
16    And this is where the money should have gone if  
17    everything as on the up-and-up. There would be no  
18    motivation to conceal and lie.

19            The \$21,000 that went to al-But'he, he's an  
20    officer of the corporation, whatever that payment was  
21    for, if it went to the officer, it should have been  
22    reported. It was not. Another falsity in the return.

23            The return was sent to the client,  
24    Mr. Sedaghaty, and he signed it and off it goes. But  
25    the thing is, they say, you know, he don't -- Pete's not

1 a detail guy, and he may have just signed it, and off it  
2 goes, well, okay, but here is the thing on that. If you  
3 know in your mind, as he did when he was dealing with  
4 Wilcox, that he had concealed the truth from him about  
5 the transaction overseas, then the return had to be  
6 false in Mr. Sedaghaty's mind, because the correct  
7 information was never given to him. So when he signed  
8 that return, okay, he might have not looked at line 1  
9 and said, oh, my, that's false; 22, wow, that one's not  
10 right, he knew the return was false, members of the  
11 jury, because the essence of the most significant  
12 transactions had been mischaracterized. Springfield  
13 transaction and the \$150,000 that we have here.

14 Before I leave Wilcox, when we hire  
15 accountants, we heard testimony that it is not an  
16 adversarial relationship. You're not hiring an  
17 accountant to challenge you on the accuracy of your  
18 information. To the contrary, it's a trusting  
19 relationship.

20 Now, there may be some verification  
21 requirements on the accountant on occasion, but you  
22 basically have to accept the client's statement, not  
23 blindly. You should do things like maybe ask for an  
24 escrow file. But you have to, at some point, accept  
25 your client's word. If you go after your client and

1 say, I don't think you are telling me the truth on this,  
2 how long are you going to have that client? Doesn't  
3 work that way.

4 Mr. Wilcox made mistakes, but I submit to you  
5 he was credible in eating those mistakes and telling you  
6 the truth.

7 Mr. Owens, here is the next part of the blame  
8 game. Well, the return is not false, but if it's false,  
9 it never should have been filed in the first place.  
10 That's a clever lawyer thing. It's a trick. Don't fall  
11 for it. Nine years after this transaction, members of  
12 the jury, they hired this guy that was the head of  
13 Exempt Organizations, and, yes, he did some impressive  
14 work with the IRS, 25 years of service. He spends a  
15 pile of time, associates spend a pile of time digging  
16 through these issues, and they come up with something  
17 that I submit to you is a smokescreen. This should have  
18 never been reported in the first place. Well, why is  
19 that, Mr. Owens? Because it was a conduit, an agency  
20 relationship. Well, what's that?

21 Well, when a tax exempt organization here gets  
22 money but it's not really theirs, they are just a  
23 vehicle to send it on to somebody else, a conduit, and  
24 there is an agreement for all of this, then it's not a  
25 reportable transaction. So this transaction, or at



1 least most of it, never should have been reported in the  
2 first place, so Mr. Owens says.

3 Well, members of the jury, where is the  
4 agreement? Mr. Gorder asked you this morning, I'll ask  
5 you again, we've heard from Mr. Wax, where is the  
6 agreement that makes this that, makes this a boom-boom  
7 thing, that Mr. Seda had no control? You don't see it  
8 because it didn't exist.

9 Mr. Sedaghaty, when he got this money, if it's  
10 a true agency conduit, he should have spent \$15, like  
11 El-Fiki did, and say, okay, boys at al-Haramain, I got  
12 the money. All right, what should I do with it? Okay,  
13 send it to Saudi Arabia, all right, I'll go down to my  
14 banker, Ms. Ingram, 15 bucks, send that money to -- wire  
15 transfer to Saudi Arabia. And we know he's done that  
16 before. They talk about cash being normal ways of  
17 moving money and things of -- like that, attempting to  
18 justify this screwy transaction that I'll get into in a  
19 moment.

20 Members of the jury, you have two wire  
21 transfers before you in the Bank of America records  
22 where Mr. Sedaghaty himself wired money internationally  
23 for, like, 10 or 20 bucks. He knows how to do it. And  
24 that's the way it should have been done if this conduit  
25 theory was real. But that didn't happen.

1           The money stayed here in Oregon under the  
2     control of Mr. Sedaghaty. He's the only al-Haramain guy  
3     here that's on the account. And what happened at that  
4     point? The seeds of a conspiracy, a secret, clandestine  
5     plan with Mr. al-But'he, Mr. Sedaghaty, Shoumar enters  
6     the picture later on. And what's the plan? The plan  
7     is, after Mr. Sedaghaty treats this money as his own and  
8     makes a couple of unsuccessful attempts to contact other  
9     organizations, including Mr. Khan, a legitimate  
10    organization, if Mr. Sedaghaty had taken Mr. Khan up on  
11    his solicitation, we're not going to take you into the  
12    country in a war zone, al-Haramain, if that's who he was  
13    talking to, he doesn't even know who he was talking to,  
14    but he thinks maybe it was someone from Oregon, he  
15    thought it was somebody in Portland. But members of the  
16    jury, if Mr. Sedaghaty had contacted this organization  
17    and if this Mr. Khan convinced them to send the money,  
18    as a lot of other people do, to the tune of 75,  
19    \$100 million a year, give it to us, we'll take it in, we  
20    do proper record keeping requirements, we do our  
21    responsibilities. We're sponsored by the Russian  
22    government in Ingushetiya, we'll do it the right way.  
23    And in their pamphlet, they do.

24           Did Mr. Sedaghaty do that? No, he didn't. He  
25    held on to the money, and he tried to direct it other

1 ways. It destroyed this Owens' conduit theory. If it  
2 was really a conduit, that should have been kept off of  
3 the books of the 501(c)(3), then it should have been  
4 just simply wired away because Mr. Sedaghaty would have  
5 no choice but to do otherwise.

6 And some of those contacts, incidentally, were  
7 in the name of the Qur'an Foundation, not al-Haramain.  
8 Why is that? Why didn't he always deal with it as  
9 al-Haramain? And he had other people do it. Perhaps  
10 because al-Haramain was developing a pretty bad  
11 international reputation as being a problem in the area  
12 of terrorism, funding terrorism.

13 How do we know that? The 9/11 report, there is  
14 a whole chapter on terrorist financing. How did these  
15 things happen? Terrorist financing. Things cost money.  
16 People need to live that plan on doing bad things.  
17 People need to eat. People need shelter. People need  
18 arms. They need money.

19 So a big old study is done and al-Haramain is  
20 chosen as one of the poster childs (sic), witnesses  
21 identified that. So when Mr. Sedaghaty is reaching out  
22 to these organizations, perhaps he knows that  
23 al-Haramain has some stain on it.

24 And remember that conversation that Daveed  
25 Gartenstein-Ross told you about about east African

1     embassies blowing up? Lots of people killed.  
2     al-Haramain is associated with that on a TV program.  
3     Mr. Sedaghaty talks to al-But'he saying, we didn't have  
4     anything to do with that, did we? You heard the  
5     testimony, words to the effect, we have many people  
6     working for us. Wow, there's a denial for you.

7             Now, before I leave Mr. Owens, he told you he  
8     runs a shop called Exempt Organizations, did when he was  
9     with the IRS. It's what Mr. Wooten does up in Seattle  
10    on a day-to-day basis. They care about how charities  
11    get their money and spend their money. They have to.  
12    That's their job. If you're going to be tax exempt, you  
13    gotta do good things with your money. And this Form 990  
14    is the primary vehicle for us to know what you're doing.  
15    And it's also the primary vehicle for what your donating  
16    public, because this goes on the Internet, you gotta be  
17    on the up-and-up.

18            Mr. Owens admitted that no matter what, this  
19    conduit theory, agency theory, whatever, no matter what,  
20    you can't lie to the IRS on a 990. And if you do, it's  
21    a very important thing when it's talking especially  
22    about an overseas transaction involving 130, \$150,000.  
23    It's a big deal.

24            So what the defendant did through his deceptive  
25    acts with Mr. Wilcox and engaging in this screwy

1 transaction is he concealed information from the very  
2 organization that we here in the United States rely on  
3 to make sure that things like this don't happen  
4 (indicating) with tax exempt charities in the United  
5 States.

6 Now, Mr. Owens, he's looking at a lot of  
7 organizations, he has to decide which ones to audit,  
8 which ones not. Well, how do you get your information?  
9 Well, the 990. We get -- they gotta tell us what money  
10 comes in and where it's going.

11 Well, if you learn that an organization got 150  
12 and masqueraded it into a building purchase, might that  
13 get your attention? Well, the form might not, in and of  
14 itself, the line 57 thing, might not jump out at us, but  
15 if the information came to us that it was a clever  
16 design to bury it into a portion of the tax return, you  
17 bet we'd be curious about it. It would be an audit, and  
18 probably a lot worse, if it came out that this was an  
19 intentional act to masquerade and disguise \$150,000  
20 transaction.

21 In assessing that, members of the jury, don't  
22 get lost in this blankets versus bomb quagmire. When  
23 you get back there and say, you know, maybe he had an  
24 intent to food -- give food to people, blankets to  
25 people, or maybe he really did try to buy arms, the

1 point of this is, if you are doing things like this as a  
2 charity, the IRS's antennae go way up, as they should  
3 be, when you're dealing with cash especially. And if  
4 you're going to take the position and say, I did good  
5 things with this, I gave this money to refugees,  
6 blankets, food, medicine, okay, but tell us about it.

7 That's what you need to do as an exempt  
8 organization. You know in that letter that went out to  
9 Pete Seda saying you're tax exempt, it said keep good  
10 records, and file 990s telling us what you're up to.  
11 What did he do? When the IRS comes in years later and  
12 subpoenas records for this transaction when we started  
13 realizing -- when she started realizing something was up  
14 about this Chechnya deal, record requests went out to  
15 the lawyers for al-Haramain, formal requests, subpoenas,  
16 tell us about the Chechnyan transaction. Records came  
17 in over time. Agent Anderson told you that some came  
18 from Saudi Arabia sources, al-Haramain, and others came  
19 from sources here in the United States, al-Haramain.  
20 Different batches, different time, lots of records. Why  
21 is that such a big deal? Because you know them by  
22 reference now, AHIF-2 and AHIF-3.

23 When we caught them, when we started sniffing  
24 around this transaction, did you see receipts saying,  
25 refugees, here's the purchase of -- like Mr. Khan's

1 operation, have detailed record keeping records to show  
2 if there is a question about them? No. We're not  
3 dealing with exempt organization people. Now we're  
4 dealing with criminal investigators.

5 What's going on in the defendant's mind now  
6 when the jig is up? Two different receipts come in  
7 purporting to be -- for the -- representing the same  
8 transaction. One says 188. One says 186. They are  
9 both bogus, members of the jury, false documents.  
10 Signed differently. One's witnessed. One's not. The  
11 agreement language is the same.

12 And incidentally that language is not found in  
13 the computers. Who typed those? I doubt it was  
14 Ms. Florin who knew nothing about the transaction. They  
15 are created.

16 And they attempt to come up with a figure,  
17 apparently \$36,000 came from Canada. This 150. And if  
18 you add it up, 186, yeah, that sounds good, put it in,  
19 sign it. Agent Anderson told you that \$36,000 never  
20 left the United States. The numbers don't add up.  
21 \$186,000 didn't leave.

22 And what about this offset thing that Mr. Wax  
23 is telling you about? Obfuscation. What kind of  
24 business offsets money for things that apparently  
25 happened? Well, I gave you money before, so I owe --

1     you gave me some money before, so I owe you some money.  
2     And even though I'm not going to send it overseas, I'm  
3     going to give you a receipt saying that you gave it --  
4     that I gave it to you. Offset. How about nonsense?  
5     The receipts are bogus.

6             We've got two different receipts for the same  
7     transaction containing different information. I  
8     don't -- I suggest to you, members of the jury, they  
9     didn't even realize they gave us two receipts. But  
10    Mr. al-But'he and Mr. Seda, you know from those  
11    receipts, those are their signatures, they signed those  
12    receipts on different occasions, because of the -- where  
13    the signatures appear. So they had to know they were  
14    signing the same receipt twice. And there were no other  
15    big transactions, no other transactions like this.

16            Now, the charges. The judge instructed you  
17    this morning on the elements of the crimes that you need  
18    to consider before you return verdicts of guilty.

19            Now, that's a formal word, elements of the  
20    crime, but think about it like a recipe. Certain  
21    ingredients need to go into a recipe to make the product  
22    a good one. So think of the ingredients needed to go  
23    into a verdict of guilty on the tax count. What are  
24    those ingredients, those elements that you need to find?

25            You need to find, one, that there was a false



1 return. We've been over that over and over and over  
2 again. The guy who prepared the return said it was  
3 false. Wilcox. He didn't know it at the time, based  
4 the information on Mr. Sedaghaty's communications, but  
5 they told you -- he told you in the various ways that  
6 I've already gone over, that the return is false. And  
7 incidentally, no mention of Chechnya, so on and so  
8 forth. Check, false return.

9           Ingredient number two, signed under the  
10 penalties of perjury. The return is signed by  
11 Mr. Sedaghaty. And it is signed under penalties of  
12 perjury. Check.

13           Ingredient number three, that the false  
14 information in the returns have to be material to the  
15 IRS. How is the IRS supposed to do its job in  
16 monitoring charities if it's never told about a  
17 transaction? Bombs, blankets, medicine, not even told  
18 that the money went overseas at all. It's not in there.  
19 It's absent. The IRS is prevented from doing its job.  
20 And if it had been told about the transaction, in  
21 whatever form it occurred, they would have done  
22 something about it, and it would have been capable of  
23 influencing the decisions of the IRS. Check,  
24 materiality.

25           And then number four, willfulness. And that is

1     what a lot of this trial has been about. And I told you  
2     at the beginning of this trial that that's where the  
3     action is at for you. This notion of willfulness.  
4     Because we have to prove not only that he signed a false  
5     return under the penalties of perjury that contain  
6     materially false information, but we have to show you  
7     that he had -- that he did these things willfully.  
8     Basically that he knew he had an obligation to file the  
9     return and was deliberate in -- in doing this falsely,  
10    this false return.

11                 So how did we prove that during this trial?  
12    And I suggest to you that Mr. Wax has done a very  
13    passionate job in trying to keep you from focusing on  
14    this. But I have to do it because this is part of the  
15    motivation that Mr. Sedaghaty had to file this false  
16    return.

17                 And, incidentally, this is also one of the  
18    objects of the conspiracy. There are two charges. The  
19    tax count in count 2, the conspiracy count in count 1.  
20    And the conspiracy account -- count alleges that he  
21    attempted to defraud the United States by depriving the  
22    Customs Service of information related to the foreign  
23    transportation of money, which I'll talk about, but also  
24    to the Internal Revenue Service in doing their job in  
25    monitoring tax exempt charities.

1           You only have to find one of those two objects  
2           unanimously. We're going to ask you to do it on the  
3           verdict form. We're going to ask you to find him guilty  
4           of count 1. And then there are two little checkmarks  
5           underneath, did you find unanimously that he agreed to  
6           defraud the Customs Service? If so, check here for yes.  
7           And the IRS. We suggest that the evidence supports  
8           checkmarks on both of those.

9           And here is why: The tax motive. Exempt  
10          organizations cannot fund mujahideen. Okay? You  
11          can't -- or acts of violence and things like that, and  
12          we got into this thing about the Red Cross and Taliban  
13          and things like that. Tax exempt charities, Mr. Wooten  
14          told you, cannot promote acts of violence. If you are  
15          buying food for the mujahideen, no. Certainly not  
16          armaments.

17          But in any event, tell us what you are doing  
18          because if you think you are okay, if you think you are  
19          in the proper zone, just tell us about it so we can do  
20          our job. Didn't go. Why? Because Mr. Sedaghaty did  
21          have a motivation to conceal when he signed that return.  
22          What is that? This JC-4 exhibit lists all of these  
23          Sheeshaan e-mails and all of the other things in the  
24          computers roughly in chronological order.

25          I suggest to you that Mr. Gorder got it just

1 right in telling you that during the time period in  
2 question, January to March 2000, Mr. Sedaghaty was  
3 fairly obsessed with the events in Chechnya from the  
4 lens -- from the lens of the propaganda machine known as  
5 al-Haramain, Qoqaz, Azzam, and these guys, like Khattab  
6 who are trying to blow people up in Chechnya, and asking  
7 people to help fund it, because they have no state  
8 sponsorship. They need money. And he says in his  
9 interviews, Islamic charities have always been the ones  
10 that have stepped up in helping us, but they are gone  
11 now. So out goes the cry across the world to the fellow  
12 believers that are following things like this and  
13 getting things from Mr. Abdul Qaadir Khaliq to take you  
14 guys down here in Saudi Arabia, another al-Haramain guy  
15 sending out the propaganda stuff from Qoqaz and Azzam,  
16 the most preeminent mujahideen Web sites in the globe at  
17 the time.

18 MR. MATASAR: Excuse me, Your Honor, I'm going  
19 to object as not proper rebuttal argument.

20 THE COURT: Overruled. Please bring it to a  
21 close, Mr. Cardani.

22 MR. CARDANI: The willfulness is represented by  
23 those e-mails, the fatwas, the prisoner books, the fact  
24 that he's raising money at about the same time for the  
25 Kosovo mujahideen, the -- after the Hajj with Cabral,

1 direct funding, direct requests by Mr. Sedaghaty  
2 himself, doing the work, our Web site, using that  
3 Ptichka, his wife. You've got his wife down there in  
4 Ashland, Oregon, downstairs, room X, probably, doing  
5 translation services for the propaganda machine and  
6 Mr. Khattab.

7           This gets so much attention that Khattab from  
8 Chechnya thanks them. And Mr. Sedaghaty, we did that  
9 trail, calls it our Web site. His wife is doing the  
10 services on our Web site, and this big cheese in  
11 Chechnya personally thanks him here in Ashland, Oregon.  
12 As Mr. Gorder, said this is a charity.

13           A pattern of concealment and lies is also part  
14 of defendant's willfulness. In addition to all the lies  
15 to Wilcox, not even a mention to Shoumar -- about this  
16 fellow Shoumar. He's doing a lot of the things, members  
17 of the jury, that Mr. Wilcox is doing, trying to dig  
18 into the details of the transaction.

19           And SW-43 is the only e-mail I'm going to  
20 specifically read from before I sit down. Mr. Wax tried  
21 to deal with this. I submit to you he didn't get it  
22 right. The date is September 29, 2001. The  
23 significance of the timing, 18 days after September  
24 11th, think of the world atmosphere at that point.  
25 Terrible, terrible act on our soil. And there was a

1 question of whether radical Islamists were associated  
2 with it or not. That's the message around the world.  
3 So 18 days after September 11th, Shoumar, who has looked  
4 at all the books and records, and finds the Soliman  
5 money, the 131 and the 21, our money, says I have  
6 tried -- this is to Abu Yunus. This is going directly  
7 to the defendant here in Ashland and cc's al-But'he.  
8 Talk about a conspiracy. "I have tried during the past  
9 two years to my best limited ability to organize the  
10 work and make sure that we work together to be precise  
11 as much as we can to avoid any possible trails from  
12 anybody."

13 Ask yourselves, who are they trying to hide  
14 trails from? This is a deliberate effort to conceal  
15 that we found in the deleted sections of the defendant's  
16 computer.

17 Few more things. The FBI, Agent Boyer goes  
18 there four days after September 11th, yes, the  
19 Springfield thing was mentioned. The money was  
20 mentioned to the FBI, not to the accountant. But ask  
21 Agent Boyer, did he give you some literature? Yes, he  
22 did. Any of this kind of stuff? No. Noble Qur'an?  
23 No. Why? Because the FBI, members of the jury, didn't  
24 pass the test. They got the good stuff. They got the  
25 smiling, peaceful side of Pete Seda, not the other side.

1           That weird transaction, folks, has been talked  
2   about over and over and over, but I'm just going to say  
3   this about it: If everything is on the up-and-up, wire  
4   the money to Saudi Arabia. Don't -- Pete Seda  
5   preordered \$130,000 in traveler's checks. Not 150.  
6   130. Why is that? Because there was a plan. There was  
7   a conspiracy afoot to move some of this money overseas  
8   in a clandestine fashion at some risk. There was a  
9   plan. Mr. Seda ordered 130 for a reason.

10           And then the flight across the world. The no  
11   CMIR. The fact that at least 73 other people knew about  
12   the CMIR filing requirements leaving the country leads  
13   one to suggest that people do understand what the form  
14   says. For everybody leaving the country or entering the  
15   country, you gotta file this form. He's filed it  
16   before. He should have done it then. He didn't. Why?  
17   Because that was his part of the role of the conspiracy,  
18   to conceal this from Customs.

19           So when they are at the bank in Ashland,  
20   Oregon, doing it in this screwy way, there was a plan to  
21   conceal this from various facets of the government,  
22   including Customs, al-But'he's role, and the IRS, Seda's  
23   role, Shoumar's role, al-But'he.

24           Mr. Wax takes issue with the records that  
25   Colleen Anderson got from Saudi Arabia, the Al Rajhi

1 records. And seems to suggest that if she was  
2 successful in getting that one account, she was  
3 negligent in not getting others. Members of the jury,  
4 you heard her testimony. It took the better part of two  
5 years for her to get those records. And she described  
6 it as diplomatic and legal back and forth. Two years to  
7 get those records. It is not a walk in the park.  
8 Extremely difficult. As is tracing money.

9 Members of the jury, I'll leave you with this:  
10 All the checkmarks are there for you. The false return,  
11 the perjury, the materiality, and the willfulness, the  
12 motive, they are all there. When you think about it,  
13 all of the ingredients for the recipe of guilt for count  
14 2 have been proven, and I ask you to do so.

15 When you get to the conspiracy count, it is  
16 much of the same, all of that tax stuff, but in  
17 addition, we have to show that there was a plan, a  
18 conspiracy. And conspiracies aren't written out.  
19 That's not the way criminals act. A secret plan to hide  
20 this stuff, acting with all of these guys but to hide  
21 it. That has been proved, as has the other part of the  
22 conspiracy to hide this from the government.

23 This conspiracy was one to deceive and to  
24 cheat, which is part of the instructions that Judge  
25 Hogan gave you this morning, that has been proven.



1           Members of the jury, you've been very patient.  
2       There's been an awful lot of testimony. And some very  
3       good lawyering, I suggest to you, on both sides. We  
4       have a great system.

5           It is now in your hands to do your jobs in  
6       sifting through the evidence and seeing if the  
7       government met its burden of proof. I suggest to you,  
8       members of the jury, that we have.

9           If this was all on the up-and-up, if he didn't  
10      have this desire to conceal this transaction, to do  
11      something that charities can't do in the United States,  
12      then he should have been very direct and told it to the  
13      world, starting with that Form 990, and everybody else,  
14      and not -- it would been -- instead, he concealed it  
15      from everybody. And we are here today because an awful  
16      lot of good digging went into the investigation, and the  
17      records have been produced to you showing that he should  
18      be found guilty beyond a reasonable doubt to both count  
19      2 and count 1. Thank you.

20           THE COURT: Ladies, would you try to pull the  
21      screen back.

22           (Brief pause in the proceedings while equipment  
23      is moved.)

24           THE COURT: You've heard the argument and heard  
25      the evidence. And in my hand I have the verdict form.

1 And this verdict form has the caption, the name of the  
2 case, we, the jury, and so on. Then it says count 1,  
3 conspiracy to defraud the United States, and there is a  
4 place -- a line by "guilty" and a line by "not guilty."  
5 You put your unanimous decision on whichever line it is.  
6 If you mark "guilty," and I'm not suggesting you should  
7 one way or the other, but if you do, then there are two  
8 additional questions. And there is a "yes" and a "no"  
9 by each of them. Just circle the one that's your  
10 unanimous opinion again. Every decision must be  
11 unanimous.

12 And then on count 2, we have a false return by  
13 a tax exempt organization. There is a line with  
14 "guilty" and "not guilty."

15 Now, when you get to the jury room, select your  
16 presiding juror. You can start your deliberations when  
17 you receive the verdict form and the indictment and the  
18 exhibits. And they'll be in right away.

19 Before we do that, do you have the oath for the  
20 bailiff, please.

21 (Ms. Wright and Ms. Weller were sworn as  
22 bailiffs.)

23 THE COURT: All right. Thank you very much.

24 Well, at this time Ms. Palanuk and  
25 Ms. Jespersen, you've been serving as our -- I'm sorry.

1 I got that wrong. Ms. Mecartea and Mr. Meeuwsen, you've  
2 been serving as our alternates. So when you go to the  
3 jury room, you should get your things and leave.

4 Now, what I'm going to ask you to do, however,  
5 is to not talk to others about your work until you've  
6 heard that there is a verdict here. Sometimes we have  
7 to invite someone back to deliberations. And that could  
8 happen to you, but if I don't see you again,  
9 Mr. Meeuwsen, good luck to the Beavers this year.

10 All right. So the others can -- I told you I'd  
11 tell you when it's time to start talking about the case,  
12 the time has arrived. So you may -- you are excused to  
13 the jury room, and good luck in your deliberations.

14 (Jury exits the courtroom at 4:03 p.m.)

15 THE COURT: Counsel, take your exceptions in  
16 addition to those you have already done in writing, if  
17 you have any?

18 MR. CARDANI: No, Your Honor.

19 MR. WAX: No, I think we've covered it in  
20 writing, Your Honor.

21 MR. MATASAR: And orally at the conference.

22 THE COURT: Thank you very much. Once in a  
23 while, my bride tells me that maybe we shouldn't go to  
24 that particular party because you don't have good  
25 termination skills. And I'm going to be happy to report

1 to her that at least two more fall in that category.

2 So that's great. Thank you for your work.

3 You can look at the exhibits, if you want.

4 They've been put together already. And we need a phone

5 number for a 15-minute call. Okay. Thank you.

6 (Court stood in recess, subject to call, from  
7 4:03 until 8:45 p.m. when the jurors were released until  
8 9:00 a.m. on Thursday, September 9, 2010.)

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## 1 CERTIFICATE

2 I, Deborah Wilhelm, Certified Shorthand Reporter  
3 for the State of Oregon, do hereby certify that I was  
4 present at and reported in machine shorthand the oral  
5 proceedings had in the above-entitled matter. I hereby  
6 certify that the foregoing is a true and correct  
7 transcript, to the best of my skill and ability, dated  
8 this 9th day of September, 2010.

9  
10  
11  
12 /s/ Deborah Wilhelm

13 \_\_\_\_\_  
14 Deborah Wilhelm, RPR  
15 Certified Shorthand Reporter  
16 Certificate No. 00-0363  
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